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MEMORANDUM FOR THE RECORD

MEETING [REDACTED] NOVEMBER 1971, 1400-1700, WASHINGTON, D.C.

PARTICIPANTS:

[REDACTED]
WILLIAM V. BROE
[REDACTED]

1. The entire meeting was conducted by Mr. Broe, who queried [REDACTED] regarding PDC plans and capabilities, answered [REDACTED] questions, and suggested topics which [REDACTED] should include in his upcoming meeting with [REDACTED]. Since many subjects were mentioned several times during this long meeting, this summary is organized topically rather than chronologically.

2. Agency Support of PDC. As anticipated, [REDACTED] main theme was the PDC's urgent need for additional support. [REDACTED] understands that the [REDACTED] recently approved [REDACTED] is supposed to last one year, and this point was underlined by Mr. Broe on several occasions. Nevertheless, [REDACTED] made it clear that this amount will not cover PDC needs, especially given the rate of exchange used by the Station. [REDACTED] is very doubtful that [REDACTED] can actually provide the additional [REDACTED] as promised to Agency representatives, and he brushed aside our worries about the security of massive [REDACTED] funding, stating that the government cannot legally investigate the party's resources and cannot question the party's ability to raise funds locally. He acknowledged the need for fund-raising campaigns, both for the Party itself and to explain how a money-losing enterprise like [REDACTED] can continue to survive, but despite some lip-service to the concept of increased PDC "self-sufficiency", he obviously regards such fund-raising as cover for Agency funds rather than a practical means for raising money for the party. In addition to reiterated pleas for continuing support to [REDACTED] [REDACTED] mentioned an urgent need for [REDACTED] to pay [REDACTED]

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[REDACTED] are located; need for replacement parts for PDC radios; payments soon to be due on PDC public opinion poll, and the possibility that [REDACTED] will need additional funds. It has been financed so far through research contracts [REDACTED]. Mr. Broe did not absolutely rule out the possibility of additional Agency support, depending on future developments and special needs, such as may be occasioned by by-elections or a plebiscite, but made absolutely no commitments in this regard.

3. PDC Orientation and Plans. [REDACTED] states that the PDC is now firmly committed to opposing the Allende regime. He expects this stand to be underlined and reinforced at the PDC Junta, now scheduled for 10-15 December, which will probably elect Fuentealba as PDC president and will issue a statement outlining the party's political position. He feels that the party is now united as never before in its position, and that strong grass-roots opposition to the UP will be reflected in the new policy statement. He said the party had sometimes had to adopt a conciliatory posture towards the UP which made it appear weak to us and to its own grass-roots supporters, but that this had been necessary to maintain party unity. He also mentioned the party's concern that strong anti-Allende action might provoke a government crack-down on the opposition, but did not expand this statement. He did say that Fuentealba - who negotiated the "guarantees" which Allende gave in return for PDC congressional endorsement of his election - feels betrayed and therefore can be counted on to maintain a strong opposition posture.

4. PDC and Military. The strongest and most unequivocal statement made [REDACTED] was that the PDC opposes a military coup. He quoted a conversation he had with [REDACTED] a few days ago in which [REDACTED] said that the government was losing power and prestige and would find it impossible to face congressional elections in 1973. [REDACTED] thought the government would lose a plebiscite. If it did, then according to the constitution it should call new national elections, since loss of a plebiscite would clearly indicate popular repudiation of its program. But [REDACTED] did not believe the government would do this. [REDACTED] asked him what the military would do then, and [REDACTED] replied, "I don't know." The implication was that part

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of the military would side with Allende if there were any action to force the government out of office. [redacted] said that if this were true then the future looks very black indeed. Several other points made [redacted] in the course of the conversation implied that the party would welcome a coup (i.e., he agreed that however disastrous the economic situation might become it alone would not create enough despair to bring about Allende's ouster, he noted that the military would not act against Allende unless there were strong popular opposition to the Allende government and said it was essential to create this opposition, etc. But he said Allende would not violate the constitution blatantly unless he were forced to do so by the Communist Party, and that the Communists would not do so unless they were sure they controlled the military. So the message seems clear: the PDC will not actively support any military coup even if the spirit of the constitution is clearly violated - for instance, if the government loses the plebiscite and doesn't hold new elections. [redacted] said [redacted] is a good [redacted] - his apparent weakness in opposing Allende is essential to his central task of maintaining the unity of the armed forces. The head of [redacted] is weak, but his second-in-command is excellent.

5. PDC and Other Opposition Parties. Cooperation between PDC, PN and Radicals (PRI) is much better now than anyone would have dreamed possible at time of the municipal elections. Leaders meet regularly. [redacted] a recent meeting between Irureta and Jarpa in which Jarpa had actually agreed that the PN would actively support Rafael Moreno's candidacy if Moreno were to be the PDC choice in upcoming by-election. Jarpa's position was possible because Moreno and Jarpa had met personally for first time, and this type of personal contact is breaking down lots of old bitterness and animosity. Actually Moreno will probably not be PDC candidate in 5th Senate district; the PDC realizes it must have the strongest possible candidate to win. Cooperation between opposition parties is particularly evident in the media field.

6. PDC and Opposition Media. PDC and PN are working closely in media field. [redacted]

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[REDACTED] which meets twice a week with PN representatives and industrialists. The [REDACTED] has obtained funds from the [REDACTED] in return for publicizing [REDACTED] including programs opposing nationalization of paper industry. [REDACTED] said that he had no doubt whatever that a government takeover of the paper industry would mean the end of the free press in Chile. With regard to [REDACTED] it has been paying its own way with one exception - it urgently needs [REDACTED] to pay off [REDACTED].

[REDACTED]. This [REDACTED] has to be paid immediately. Mr. Broe said he thought money for this purpose could be made available but once again [REDACTED] must realize that funds available for media in the coming year are being depleted with alarming rapidity. With regard to [REDACTED] returned several times to the absolute necessity of maintaining it. (Among other arguments, [REDACTED] cannot be relied upon to maintain opposition posture, will always place survival first.) PDC has created a committee to study [REDACTED] problems, has asked [REDACTED] to lend [REDACTED] an adviser to help study problems and make recommendations, has launched a new campaign for [REDACTED] and is now reexamining the possibility of obtaining a [REDACTED] from [REDACTED] obviously still hopes to get the new [REDACTED] from [REDACTED] but agreed that this matter should be deferred until current media study has been completed.

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9. PDC Organization. Effort to create an effective organizational structure has already begun. Computer program is being carried out [REDACTED]

[REDACTED] explained how system would work in terms of helping party identify weaknesses and make maximum use of talent and physical resources.

10. PDC and Europe. [REDACTED] first said no money was coming from Europe but later refined this statement somewhat. The PDC has had problems with funds previously received from [REDACTED]. For example, money came [REDACTED] to PDC youth organization whose leader has now defected to left, so this channel now suspect. [REDACTED] money (about [REDACTED] still comes to CPU [REDACTED] but is used primarily for CD activities at Latin American level. [REDACTED] providing money for "Labor Chile" but there was such a fight as to whether funds were to be sent directly to "Labor-Chile" or to PDC that [REDACTED] cancelled all support this year. [REDACTED] hopes they will get "Labor Chile" money back next year for training union leaders, pebladores, peasants leaders, etc. [REDACTED] didn't know extent of "do-good" money coming from [REDACTED] but said he had had no answer [REDACTED] about funds he had requested from [REDACTED]. He had written [REDACTED] to suggest another meeting - [REDACTED]. He had tried to reach [REDACTED] by phone earlier that day (November) without success.

11. Plebiscite. [REDACTED] felt it would be a long time before plebiscite is held - if ever. Congress will recess soon for Christmas holidays and by-elections, will reopen in March. Bill will be discussed at least two months, and in May political parties will be able to present their own bills (which they cannot do now). [REDACTED] sure PDC would not support the bill as it now stands.

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